

Idaho Public Utilities Commission

Case No. PAC-E-13-05, Order Nos. 32819, 32838

June 27, 2013

Contact: Gene Fadness (208) 334-0339, 890-2712

Website: www.puc.idaho.gov

PUC taking comments on Rocky Mountain Power growth plan

Rocky Mountain Power, which serves about 70,000 customers in eastern Idaho, does not anticipate significant growth in electrical demand in the next 20 years, but does anticipate enough growth to require some additional generation. About two-thirds of that new generation would come from increased use of energy efficiency resources, according to the company's Integrated Resource Plan (IRP) recently submitted to state regulators.

Idaho's regulated electric and gas utilities are required to file the long-range growth plans every two years. The plan projects the company's resource needs and how the company plans to meet those needs in a way that provides reliable electric service at the least cost possible for customers. The IRP is for planning purposes only and is updated to account for changing circumstances. Even if the Idaho Public Utilities Commission accepts the plan, the resource projects outlined must still be reviewed and evaluated for their need and prudence on a case-by-case basis.

The commission is taking public comment on the plan through August 8.

Rocky Mountain Power does not anticipate significant load growth in its Utah, Idaho and Wyoming territory primarily because of load request cancellations in Utah and Wyoming caused by "prolonged recessionary impacts and permitting issues."

Rocky Mountain Power is a division of PacifiCorp, which serves the three Rocky Mountain Power states in addition to Washington, Oregon and northern California.

System-wide, PacifiCorp anticipates average load growth of 1.1 percent per year. It projects it will meet 67 percent of that load growth through increased use of energy efficiency programs.

In addition to energy efficiency, the company anticipates more power purchases from the wholesale electric market, particularly to meet load during peak-use periods. Wholesale power and natural gas prices are down significantly due to the expansion of shale gas exploration in North America.

PacifiCorp-Rocky Mountain also plans to increase generation due to expanded transmission that will allow it to dispatch resources more efficiently and improve reliability. Completion of the Windstar to Populus transmission project, from Glen Rock Wyo., to Downey, Idaho, is slated to bring more wind generation into the utility's system.

In order to meet federal environmental regulations, the company is installing emissions control equipment at three of its coal plants – Hunter Unit 1 near Castle Dale, Utah, and Jim Bridger Units 3 and 4 near Point of Rocks, Wyo.

Rocky Mountain also plans to convert the Naughton Unit 3 coal plant near Kemmerer, Wyo., to a natural gas fired facility.

Uncertainty over possible federal carbon tax legislation impacts planning, the company states. The Environmental Protection Agency has proposed new standards to regulate greenhouse gas emissions from new plants but has not finalized those standards, nor has it finalized a schedule to issues rules for existing generating plants, the company states.

Five environmental organizations in Utah, Wyoming and Idaho claim PacifiCorp did not take into account additional capital investment in coal plants they claim will be needed to meet EPA's draft regional haze rule in Wyoming issued last month.

The organizations, which include Idaho's Snake River Alliance and the Idaho Conservation League, claim PacifiCorp ignored their repeated requests to include the costs of the coal plant retrofitting that may be needed to meet the draft regional haze rules. "We understand the difficulties inherent in assessing yet-to-be finalized government regulations," the organizations state in a letter to the Idaho PUC and five other state commissions. "However, forecasting liability, such as the liability created by the regional haze rule, is a paramount part of properly being able to select resource choices that will be the least-cost, least-risk for customers."

PacifiCorp hosted 15 public input meetings before finalizing the plan.

Comments are accepted through Aug. 8 via e-mail by accessing the commission's homepage at www.puc.idaho.gov and clicking on "Case Comment or Question Form," under the "Consumers" heading. Fill in the case number (PAC-E-13-05) and enter your comments. Comments can also be mailed to P.O. Box 83720, Boise, ID 83720-0074 or faxed to (208) 334-3762.

###